

July 9, 2004

Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12th Street SW  
Washington, D.C. 20554

Re: *Ex Parte* Communication in MB Docket No. 04-66 (In the Matter of Digital Output Protection Technology and Recording Method Certifications: Windows Media Digital Rights Management Technology)

Dear Ms. Dortch:

Microsoft Corporation ("Microsoft") and the Motion Picture Association of America, Inc. ("MPAA") are pleased to inform the Commission that they have reached a mutual understanding on how Microsoft's Windows Media Digital Rights Management (WMDRM) will operate in software and hardware devices to protect Marked Content under the Broadcast Flag regulation. The attached document titled Microsoft WMDRM Compliance Rules Summary Table represents a clear description of the WMDRM Platform and Application Compliance Rules for the Microsoft WMDRM technology being applied for certification in this interim process. Given this clear understanding of how the technology will operate, the MPAA and its member companies now wish to express their support for the WMDRM technology, currently under consideration for approval by the Commission.

Both parties believe that the authorization of remote access raises numerous interrelated and complex business, legal, and technological issues that require careful FCC consideration. The MPAA recognizes Microsoft's incorporation of specific local proximity content controls in the Microsoft WMDRM technology as a reasonable measure to address this issue. Therefore, the parties agree that until those remote access issues can be further addressed appropriately, Microsoft's implementation of Windows Media DRM will conform to the parameters described in the attachment and in Microsoft's Certification dated March 1, 2004, Consolidated Response to Oppositions to Certification filed April 16, 2004 and the May 18, 2004 and June 25, 2004 *ex parte* letters and accompanying exhibits to the Commission in this docket.

Microsoft and the MPAA and its member companies also plan to continue working together to develop even more effective and commercially reasonable technological means of achieving proximity control in future versions of Windows Media DRM. Additionally, the parties also are committing to pursuing resolution of other non-technical issues, including a formal role for

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content providers in change management, device revocation, system renewal, and enforcement of the compliance and robustness rules. This commitment to continue pursuing these difficult challenges is a key consideration for the MPAA and its members in supporting the Microsoft Windows Media DRM technology.

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Very truly yours,

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